

INTERNATIONAL BUSINESS NEWS – APRIL 2005

U.S. Department of Commerce
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AUSTRALIA – U.S. DEPARTMENT OF COMMERCE'S MARKET OF THE MONTH

Australia has been the fastest growing developed economy over the past five years, and has been an appealing and profitable market for American companies for much longer. Its economy is the fourth largest in Asia-Pacific and offers a transparent and familiar legal and corporate framework, excellent intellectual property protection, and a sophisticated - yet straightforward - business culture.

The United States runs a trade surplus with Australia of approximately US\$9 billion. Total trade between the U.S. and Australia was valued at US\$28 billion in 2003. American exports to Australia were more than \$14 billion in 2004 and increasing.

Australia is a particularly attractive market in 2005. Its economy has entered its fourteenth consecutive year of growth, government budgets are in surplus, productivity is high, and corporate profits and personal incomes are high and healthy.

Australia's Best Prospects for U.S. Exporters

Aircraft and Parts
Automotive Parts and Accessories
Construction Machinery
Franchising
Industrial Process Controls
Information Technology Services
Medical Equipment
Mining Equipment
Oil & Gas Equipment
Pollution Control Equipment
Safety and Security
Telecommunications Equipment
Travel and Tourism

To learn more about these best prospects go to:
http://www.buyusainfo.net/docs/x_8215507.pdf

For more information on doing business with Australia
Contact us at little.rock.office.box@mail.doc.gov,
Phone 501-324-5794, Fax 7380, or go to our
Commercial Service Website at:

<http://www.buyusa.gov/australia/en/>

UNDERSTANDING EU CUSTOMS

Although the European Union is a customs union with a Community Customs Code and a harmonized tariff system for product classification, the EU lacks a single customs administration for the Community. Many important aspects of customs administration in the EU are handled differently by various Member State customs authorities, resulting in some inconsistencies from country to country. For a copy of the 4-page report on this subject, contact us at little.rock.office.box@mail.doc.gov, or 501-324-5794, or fax 7380.

CERTAIN TYPES OF PRODUCTS EXEMPT FROM CCC MARK - CHINA

By Chris Damm, San Jose, California ODO

The Certification and Accreditation Administration of China (CNCA) has released a list of products that are exempt from compulsory certification and labeling known as the CCC mark. In its 2005 Bulletin No 3, CNCA says that products exempt from compulsory certification include those for scientific research and testing, for maintenance and repair of end-user equipment, for equipment and parts used in production lines, for exhibition, for export processing. Products exempt from both compulsory certification and labeling requirements include imports by diplomatic missions and foreign visitors for self-use and those as parts of foreign government aid and grant programs. The new rules, dated March 3, will replace the 2002 CNCA Bulletin No 8 and will take effect on April 1. At the same time, CNCA also issued a bulletin announcing the cancellation of the registration requirement for agents for compulsory certification application. (Full texts in Chinese: <http://www.cnca.gov.cn/20040420/article/05-03/8163.htm> <http://www.cnca.gov.cn/20040420/article/05-03/8192.htm>) (CNCA)

CUSTOMS RULING ONLINE SEARCH SYSTEM (CROSS)

When a product enters the U.S. and there is a concern as to the appropriate classification code, then a ruling is made in CROSS. These rulings can also be used as a cross reference to schedule B or HS#. A search can be done by keyword, or click on "Downloadable Rulings". There are also links to other useful information for international trade, such as the Harmonized Tariff Schedule, Customs Bulletins, and the Customs Valuation Encyclopedia. See <http://rulings.customs.gov/>

EGYPT LIFTS BAN ON U.S. BEEF PRODUCTS

March 21, 2005 -U.S. Agriculture Secretary Mike Johanns announced today that Egypt is immediately resuming imports of U.S. beef and beef products from animals less than 30 months of age.

"We are extremely pleased at the reopening of another important market for U.S. beef exports and anticipate that exports will quickly return to pre-BSE trade levels," said Johanns. "USDA will continue to focus on our efforts on opening additional markets by promoting the use of science-based regulations in the global trade in beef."

The agreement requires age and origin requirements under a USDA Agricultural Marketing Service Beef Export Verification (BEV) program. In 2003, Egyptian purchases of U.S. beef and beef products amounted to \$30 million, with liver accounting for nearly 65 percent or \$19 million of total sales.

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BUREAU OF INDUSTRY AND SECURITY REVISION AND CLARIFICATION OF DEEMED EXPORT RELATED REGULATORY REQUIREMENTS

The Bureau of Industry and Security (BIS) is reviewing the recommendations contained in the U.S. Department of Commerce Office of Inspector General Report entitled "Deemed Export Controls May Not Stop the Transfer of Sensitive Technology to Foreign Nationals in the U.S." (Final Inspection Report No. IPE-16176-March 2004). Certain of these recommendations would require regulatory changes that would affect existing requirements and policies for deemed export licenses. BIS is seeking comments on how these revisions would affect industry, the academic community, and U.S. government agencies involved in research.

DATES: Comments must be received by May 27, 2005.

For a copy of the proposed rules go to the BIS Website at <http://www.bxa.doc.gov>. Under "Top Stories" click on the .html or .pdf link shown beneath:

March 28, 2005

BIS publishes Advance Notice of Proposed Rulemaking in the Federal Register on Revision and Clarification of Deemed Export Related Regulatory Requirements.

CANADA, MEXICO, AND THE UNITED STATES ESTABLISH THE SECURITY AND PROSPERITY PARTNERSHIP OF NORTH AMERICA

On March 23, 2005, Canadian Prime Minister Paul Martin, Mexican President Vicente Fox and U.S. President George W. Bush met at Baylor University in Waco, Texas. At the meeting's conclusion they announced the establishment of the Security and Prosperity Partnership of North America (SPP.) For details of the partnership click on <http://pm.gc.ca/eng/news.asp?id=443> or contact us at little.rock.office.box@mail.doc.gov, ph. 501-324-5794, fax 7380 for a copy of the report.

VENEZUELA'S APPLICATION OF EXCHANGE CONTROLS TO IMPROVE By Hans Mueller, Commercial Service Caracas

Venezuela's exchange control board ("CADIVI", the acronym from its Spanish language name) announced plans to take effect this year, which should make the system more flexible. This should be of interest to U.S. companies concerned about the cumbersome, time-consuming and uncertain methods in place under Venezuela's existing exchange control rules.

The first announcement indicated that the limit for credit card use abroad would be raised from the USD 3,000/year to USD 4,000/year and that the limit on purchases via Internet would be doubled from USD 1,500/year to USD 3,000/year.

While the announcements emphasized that exchange controls would not be eliminated during 2005, a CADIVI spokesman stated that the system would become more flexible, and eventually be replaced by a computerized "information system for exchange administration" (SIAD by its Spanish acronyms). The computerization of all Venezuelan customs offices is being prepared to go on line and should support SIAD.

The system for determining reference prices for imports is to be strengthened and widened. Such reference prices were created mainly for textiles, but also for some other products, to avoid under-invoicing. This had become a frequent practice in order to obtain a lower import duty. The intent could also be to obtain readings on costs for imported products, compared with what the importer has requested in foreign currency. The CADIVI spokesman emphasized that it was not the office's intention to curb or hinder imports but to detect and eliminate capital flight, and that the SIAD system will be used primarily for that purpose.

For additional information please contact Hans.Mueller@mail.doc.gov of the Foreign Commercial Service, U.S. Embassy Caracas by phone (58-212) 907-9495, fax (58-212) 975-9643

PRICE INCREASES FOR SELECT U.S. COMMERCIAL SERVICE PROGRAMS

To compliment the counseling provided by its domestic and overseas Trade Specialists, the U.S. Commercial Service offers a variety of fee-based products and services. These products and services include custom research, pre-screened appointments, background checks on prospective partners, and other marketing initiatives undertaken on behalf of and tailored to individual clients. Due to U.S. Government directives to bring the cost of providing these custom services into alignment with the fees charged to our clients, price increases will be introduced throughout 2005. In order to comply with the directives, as of March 1, 2005 the prices for the International Partner Searches (IPS) and background checks otherwise known as International Company Profiles (ICP) were raised. As of April 1, we will see a price increase for the Gold Key Services and Trade Missions. Any service paid for prior to April 1, will not be affected. The IPS and the ICP rate increases will be phased in over the remainder of the year. Now is the time to act if you are considering contracting a service. Contact us at little.rock.office.box@mail.doc.gov or 501-324-5794, fax 7380.

UPCOMING EVENTS

"China Engages Asia: Implications for the United States" (Q & A included.)

Date and Time: Thursday, April 21, 6:30-7:30 p.m.

**Place: University of Arkansas at Little Rock
(Exact location to be announced)**

**Speaker: Dr. David L. Shambaugh,
Political Science Professor**

**and Director of China Policy Program
The Elliott School of International Affairs
George Washington University,
Washington, D.C.**

As part of UALR's Asian Heritage Month activities, the presentation by this keynote speaker will provide an excellent opportunity to obtain the latest information on China, Asia, and U.S. relations from an expert and is aimed at university students and faculty, policy makers, secondary students and teachers, business people, and the general public. Those interested in international studies, history, and business are especially encouraged to attend.

For more information contact:

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US-CHINA BUILD PROGRAMS JUNE 2-4 and JUNE 5-10

If you are interested in:

- Supplying products to China
- Finding a good distributor to successfully represent your product in China
- Determining if joint ventures are a good way to do business in China
- Making sure you get paid when doing business with China
- Learning if Chinese and developers want your products
- Determining how well equipped China is to compete with the products that you produce

You may want to consider participating in the US-China Build Program's two missions to China:

- **Dalian China Factory Tour June 2-4**
- **Shanghai Business Development Mission (June 5-10)**
(Companies are not required to participate in both missions.)

These missions will to give companies who are interested in doing business in China an intensive week-long education about China's building materials and service market through organized meetings and site visits. Companies will be given the opportunity to discuss their products and services with Chinese developers, distributors, architects, designers, and suppliers of all products used in residential and commercial construction.

The agendas will include:

- Factory Tours
- Meetings with Chinese developers and distributors
- Briefings with the US Commercial Service representatives and representatives from Chinese building materials and housing associations.
- Briefings with a law firm with offices in the US and China to discuss legal aspects and advice on joint ventures, receiving payment, hiring employees in China, setting up a China based office, etc.
- Meetings with firms that are short-listed to design and build venues for the Shanghai Expo 2010 (Worlds Fair).
- Other meets can also be arranged based on the interests of the group.

An information/registration form and draft itinerary can be found at:

<http://www.uschinabuild.org/Events/missionflyer12.11.04.pdf>

For more information contact:

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USEFUL WEB SITES

Bank Holidays of the World

<http://www.bank-holidays.com/index.htm>

Foreign Entry Requirements for U.S. citizens traveling abroad on business or pleasure:

http://travel.state.gov/travel/tips/brochures/brochures_1229.html

We hope you've enjoyed this edition of our newsletter. Any mention of non-government sources does not constitute endorsement. If you have any questions or comments, contact us at little.rock.office.box@mail.doc.gov
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